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The Commonwealth of Massachusetts



## SPECIAL COMMISSION ON THE PERFORMING ARTS

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### TOWARDS A CULTURAL POLICY

(EXECUTIVE DIRECTOR'S REPORT)

708/98



## SUMMARY

### PART I THE PROBLEM

The performing arts cannot pay their own way; they need facilities and funding.

#### ARTS FACILITIES

Contributing to facilities for the arts is one of the most meaningful ways of artistic patronage.

#### INDIVIDUAL AND FOUNDATION SUPPORT

America has a unique tradition of private philanthropy with the result that the arts remain the rich man's domain.

#### BUSINESS SUPPORT

A growing willingness on the part of the business community to assume a share in the funding of the arts must be encouraged by both government and the arts.

#### GOVERNMENT SUPPORT

The present efforts by the federal and state governments are laudable, but inadequate.



## PART II A PROPOSED COURSE OF ACTION

### COMMUNICATION

A comprehensive public relations effort must be initiated to acquaint every citizen with the economic dilemma in which the arts are floundering.

### MAJOR INSTITUTIONS

These are worst off, but also of greatest public interest. The Boston Symphony, the Opera Company of Boston, the Boston Ballet, and Stage/West of Springfield are singled out as prospects for a pilot program of major subsidy, which would place Massachusetts in a position of cultural leadership and bring about a truly democratic art scene.

### GOVERNMENT CONTROL

There is no reason to assume that the government would use its influence counter to the arts' and the public's interest.

### ALTERNATIVE FUNDING

Surveys show that the American wishes to have tax dollars spent on cultural subsidy, but, with the current depletion of the general fund, the most immediate requirement is to develop innovative alternative funding solutions for the arts.





## PURPOSES

The claim that artistic patronage is an economic and socio-political necessity must be substantiated, and a set of well-defined purposes must be presented. The three major of these purposes are democratization of, accessibility to, and participation in the arts. These are the guiding principles of a comprehensive cultural action program.

## CULTURAL POLICY

The cultural action program needs to be backed up by theory in the form of a cultural policy. Developed in conjunction with the Massachusetts Council on the Arts and Humanities, a new cultural policy has to define the arts as (1) an integral part of development, and (2) a public service essential to the welfare of the citizens of Massachusetts.





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## BY WAY OF INTRODUCTION

The following pages are part of the Special Commission on the Performing Arts' Interim Report for 1975.

They entail the executive director's message--comprising basic assessments and recommendations for a course of action--to the members of the Commission. They are also a report of the Commission's position to legislators, the arts community, and other interested parties.

This account is part of the overall design and effort to secure for the arts the place which is rightfully theirs in the state's hierarchy of priorities.

/s/  
Max Friedli  
Executive Director

/s/  
Jacqueline D. O'Reilly  
General Chairman

/s/  
Joseph E. Hill  
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/s/  
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Senate Chairman

/s/  
Representative James G. Collins  
Member

/s/  
Representative Gregory B. Sullivan  
Member





## PART I

### DEFINING THE ISSUE(S)

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Paradoxically, while the performing arts are booming, their problems are soaring. Yet the paradox can easily be explained. Since, contrary to wide public belief, the institutionalized non-profit performing arts are not self-supporting, their increased popularity and activity are matched by an increased need for support. The performing arts face the difficult task of having to project the simultaneous image of success and poverty. While it has been simple to communicate the success, little has been done to expose the poverty.

At present, most arts organizations are engaged in an effort to change the ratio between "earned income" (revenues from ticket sales) and "unearned income" (grants and donations) in favor of a higher "earned income." The average ratio is traditionally 50:50. These "earned income producing efforts" encompass areas like audience development, ticket distribution, interchange with the commercial arts, marketing, and optimal programming. Other measures to ease the problems are cost-cutting devices, such as increasing management efficiency. Obviously, the higher the earned income ratio and the better the management, the easier it is to fill the "unearned income gap."

There are some other issues--such as supply and demand questions, labor and union problems, the position of the individual artist, the "arts and education" concept, decentralization of the arts, and democratization of the arts--which are particularly relevant from the Commission's viewpoint. They would present worthwhile fields of study and activity for the Commission, but they are not as important as the question of arts facilities



and, above all, the question of financial assistance. If the latter two could be solved, the others would fall into place.

## THE FACILITY ISSUE

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The arts need good facilities in which to perform. At present the demand for such facilities is not nearly as evident in the rest of the state as it is in Boston. Although the state government (and the federal government, for that matter) should be approached for assistance in construction and maintenance, arts facilities are primarily of a regional and local nature and outside of a state commission's immediate concern.

The Special Commission on the Performing Arts, nevertheless, goes on record as pointing out the support of facilities as one of the most urgently needed and most meaningful forms of assistance to the arts, by both the private and public sectors. This is more easily obtained than general assistance because of the obvious advantages to the community. The case for support can best be made if the facility enhances the real estate value of its surroundings, is constructed in connection with an existing commercial environment, is planned as a multi-purpose, truly public facility, and appeals to the civic pride of the populace.

According to statistics,<sup>1</sup> only about half of the nation's arts centers break even or show a profit. This figure, however, also demonstrates that a facility can be self-supporting with sound planning and management. Capital outlays should be made with grants and interest-free loans, so as to avoid payment of investment interests. The facility has to seek additional revenue from office, school, and other real estate rentals, from garage fees, from restaurant concessions, from exhibits and workshops, and, most importantly, from bookings of commercial entertainment.

The recent Ford Foundation report documents the fact that the average American performing arts organization spends approximately four per cent of its total expenditures





on facility rentals.<sup>2</sup> If this percentage could be lowered or eliminated, a most vital contribution to the health of the performing arts would be made. Such assistance is relatively easy to provide through already existing programs and appropriations. It would be the builders' and facility management's responsibility to consult with the arts organization as to specific facility needs and, in turn, the arts organization has to assure a feasible amount of days on which the facility will be used.

The Commission strongly endorses the concept of renovating or converting existing structures as opposed to building new ones. The main reason is economics; most renovations cost a fraction of new theaters and show very similar results.<sup>3</sup> Another reason is the simple fact that we do not know what the requirements for the arts will be ten years from now, and we do not want to be in the position of having built useless structures, or having to adjust our needs to existing buildings. The prime requirement, however, is that the facility be functional in every respect and--rather than obey some vague notion of concrete immortality--serve the arts and serve the public because the arts are public property.

The idea that somehow there is a fixed audience and a fixed charitable dollar amount for the performing arts is as widely held as it is false. Activities only whet the appetite for more; innovative, diversified, and persistent fund raising approaches yield more dollars.<sup>4</sup>

#### WHY FINANCIAL ASSISTANCE ?

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The reasons are essentially threefold: historic, economic, and social. Their composition and definitions vary as they apply to the four main sources of financial assistance in the arts: private, foundational, corporate, and governmental.

#### 1) THE RATIONALE FOR INDIVIDUAL AND FOUNDATION SUPPORT

Although differently structured, individual and private foundation sources are conditioned by the same origins and motives. Individual and family patronage are essentially





a leftover from the feudal Middle Ages and the Renaissance. During the Middle Ages, the wealthy gave generously to monasteries and to the church in an attempt to be absolved of sins and social obligations. I venture to claim that modern arts patronage has some of the same flavor.

In the Renaissance--much in contrast to ancient Greece where the arts were democratic--the arts belonged to the aristocrats. At that time, the arts acquired their image of elitism and exclusivity from which they have never recovered in America. The United States is the only highly developed country that has maintained this tradition of private arts patronage.

The system works, to a degree. Approximately two-thirds of the contributed income to the arts comes from individuals and private foundation sources.<sup>5</sup> Nobody should, or would, want to advocate abolishing such a unique tradition of arts support, but, since a case for increased public support is to be made, private philanthropy's drawbacks and inadequacies have to be pointed out and put into perspective.

Strings are attached wherever money is given, implicitly or explicitly. Even if nothing is said about it, the donor condones the work of the recipient, and the recipient in general feels obliged to fulfill the donor's expectations. There is nothing wrong with this, it is essentially a commercial situation, the buyer should be pleased with the product he purchases. However, as long as the arts have to rely on the wealthy donor for support, they have to cater to the wealthy man's taste and turn out an elitist product. The widely reiterated argument that the arts are too elitist to qualify for public funding is ridiculous because the arts cannot be expected to become public before they are publicly supported.

In 1954, the federal government realized that institutions like hospitals, schools, and the arts could no longer be sustained by the existing level of private philanthropy, and the United States introduced a philanthropy incentive in the form of a tax deduction allowance.



This measure cleverly added to the historical and social reasons for private philanthropy an economic reason which supposedly has become the main rationale for private philanthropy today. There is no particular reason to doubt this theory, but it is quite impossible to substantiate and it should be pointed out that the tax measure was designed for the rich to profit by. Low and middle income groups continue to use the standard deduction, since their itemized deductions are unlikely to exceed that figure. In other words, the picture was not altered by the tax measure and no broader support encouraged by the government. (The Commonwealth of Massachusetts, by the way, has not adopted the measure and should look for more meaningful ways to assist the arts.)

The tax break does represent a substantial subsidy for the arts, but it is a mixed blessing. It does not fulfill a truly public purpose. In fact, it gives the rich donor even more of an upper hand. He gets to have his cake and eat it, too. First, he gets the gratitude of the arts organization for the donation, and then he turns around and deducts that donation from his income tax, thus depriving the public of tax dollars. It has been computed that the actual loss to the IRS is approximately half of the amount the donor contributes, an amount for which the lower income groups have to compensate with their own tax dollars. As a result, the general public indirectly contributes to the arts without ever being given the credit or the influence that should go with such a contribution. There must be better ways.

## 2) CORPORATE SUPPORT

This form of arts support has no history to speak of, and the reasons for its existence are clearly economic and promotional, although occasionally an executive acts out of conviction. Corporate donations amount to approximately nine per cent of the total national charitable dollar to the performing arts,<sup>6</sup> far below the five per cent the federal government allows businesses to deduct from their taxable income for charitable purposes.







In Massachusetts, the percentage is even lower. The reasons are obscure. Most frequently, the absence of corporate headquarters in Massachusetts is cited for the lack of support, but this explanation is far from convincing. After all, Massachusetts artistic activities are by no means restricted to Massachusetts, as the Boston Symphony, WGBH shows, and Sarah Caldwell are regularly "exported" nationally and internationally. More likely, the obstacles are the lack of an established donation tradition, communication gaps, mistrust of the "flimsy" arts, non-business like approaches by the arts, or lack of approaches altogether because of the arts organizations' lack of manpower or know-how--all obstacles that could be overcome.

Those corporations that have engaged in arts support have done so with generally excellent results. If the case of the arts is clearly stated, the corporation's obligation toward the quality of life in the community discreetly pointed out, and the advantages to the corporation--tax and promotion--are mentioned, and repeated, the area of corporate support can be widely expanded. A selling job on the part of the arts is required. They have to develop a give-and-take situation, rather than to ask for a handout. Indications are that corporations are waiting to be asked for money, particularly where sponsorships of specific, public service oriented programs are concerned.<sup>7</sup>

Nevertheless, the solicitation of such funds is a difficult task. It is a drain on the arts organization's resources and alien to its actual purpose. Any help is welcome, and the Special Commission on the Performing Arts will have to become instrumental in stimulating, aiding, and coordinating, in conjunction with the national Business Committee on the Arts and similar interested agencies, a public relations effort in favor of corporate support for the arts.

### 3) GOVERNMENT SUPPORT

The federal government's present attempt at arts support, the National Endowment for the Arts, is ten years old and one of the few success stories of recent administrations.



Its budget has consistently grown, and for fiscal 1976/77, Congress has approved \$82 million (jointly with the National Endowment for the Humanities) which roughly corresponds to 40 cents per capita. (The \$82 million figure is likely to be larger due to a unique provision by which the United States matches private donations to a Treasury Fund.) The NEA has been involved in deficit funding, granting aid for specific artistic projects, and in running some artistic ventures of their own. It is generally acknowledged that the NEA is a major influence in the present boom of the arts.

Stimulated by the Washington action, the states have set up their own arts councils. The Massachusetts Council on the Arts and Humanities was established in 1968 and has a present funding level of less than 20 cents per capita; the appropriation dropped from \$1.6 million in fiscal 1974/75 to \$1 million this year.

A comprehensive study was commissioned by Governor Sargent and, in 1973, published as The Arts in Massachusetts: A Priority for Investment, a report by the Governor's Task Forces on the Arts and Humanities. Widely regarded and accepted, the report concentrated on the arts' economic impact, their deficits (\$3.9 million at the time), and recommended that \$1 per capita be appropriated by the state not later than fiscal 1975/76. (Incidentally, the recommendation also suggests that \$1.95 million of the funds should be awarded to major arts and humanities institutions.) The state's economic circumstances reduced the \$5.8 million proposal (the state's population) to the actual \$1 million figure.

While the federal allocation is inadequate, the state's is inappropriate, by any standards. While almost everybody, even in government, agrees that the arts are relevant in the lives of citizens, the arts are, therefore, a political concern, and funding is indispensable, almost nobody is clear on (1) why this should be so, since no respective funding tradition exists, (2) what the exact purposes of such funding envision and accomplish, and (3) what actions and amounts are needed?

These questions require some specific treatment and a specific set of recommendations.





## PART II

### A PROPOSED COURSE OF ACTION

#### THE NEED FOR COMMUNICATION

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Ever since the publication of the pioneer works in the field, The Performing Arts: Problems and Prospects, the Rockefeller Panel Report, New York, 1965, and Performing Arts: The Economic Dilemma, by William J. Baumol and William G. Bowen, Cambridge, Massachusetts, 1968, there has been a growing awareness among people in the trade about the reality of the arts. People in the arts have come to accept, and deal with, the fact that their activity is a labor-intensive service industry which, in a technological age, cannot successfully compete economically with other branches of the national industry. While the production of regular goods is able to consistently increase its output in terms of man-hour input, the arts cannot do this. A full-scale orchestra always needs the same number of players, the same number of rehearsals, and the same performing time. On top of this, the arts cannot set admission prices as high as to cover costs, or they would price themselves out of the reach of the public they need to serve, and probably right out of business. In addition, inflation contributes further hardship to, what Baumol and Bowen call, "the performing arts' economic dilemma." So while the situation is bad now, it will be worse in the future.

In response, two avenues have suggested themselves as a means to ease the dilemma. First, the performing arts have had to base their activities on sound business and management efficiency, which has led to the emergence of a new professional group, the arts



administrators. They have made the arts a responsible partner in dealing with business and government interests. Second, the performing arts have had to define their "product" as providing a service in the interest of the public, and which, as a public service, cannot pay its own way, but needs funding.

Increasingly fewer arts administrators and trustees are doing the artistic community the disservice of claiming that fiscal solvency is just around the corner if they only had such-and-such a grant, when, in fact, their increased activity requires increased subsidy. Reiterated by numerous publications and reports, the uniformity of the problem is known and accepted, but, as it stands now, those who know the facts and the arguments only talk about it among themselves, when it is imperative that ever-widening circles of the population be confronted with the reality of the performing arts.

The Special Commission on the Performing Arts will have to establish itself as a vital link connecting the arts community, which thus far has failed to be moved to adequate action despite impending disaster, and the public that wants the arts, the public not as yet openly interested in the arts, the business community, and the government. The Commission will have to encourage, and engage in, the dissemination of information, stimulate lobbying efforts, get business and government leaders invited to performances and arts management activities, and initiate dialog between all factions concerned, some of which now look upon each other with suspicion.

The Commission has taken one positive step in that direction by helping set up PAPA:Public Action for the Performing Arts. PAPA is a citizens' action group with the threefold purpose of (1) adding muscle to the cause of the arts, (2) communicating the plight of the arts to all those who are unaware of it, and (3) actively generating more funds for the arts.

Yet much more needs to be done.





## THE NEED FOR SUPPORT FOR MAJOR INSTITUTIONS

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Contrary to European governments which have tended to neglect the smaller and amateur art ventures in favor of the prestigious institutions, and which now have to reassess their cultural priorities, American authorities are currently confronted with the need to tackle the plight of the large arts institutions which have received disproportionately little help. Quite obviously, there is no point in educating audiences when not enough professional companies exist to satisfy their demands, nor in training prospective artists without providing the professional environment to which they can eventually graduate.

For several reasons, the major performing arts institutions deserve the attention they have not thus far received: (1) They have a prestige and public relations value--especially relevant for Massachusetts today in order to offset an image tarnished by school busing and economic issues. (2) They need help most urgently. (3) They are the most likely to realize the highest standards of professional and artistic excellence. (4) They have the crucial economic impact because of the volume of their activities and the employment of professionals. (5) They can deliver the public service required of the arts in terms of an appeal to existing and potential mass audiences and satisfy an increasing demand through the use of mass media.

Since many large performing arts groups project an image of glamour and success, it is hard to accept the fact that they are in trouble. This doubt is reinforced by the co-existence of the financially rewarding professional sports and commercial arts, rock music in particular. Yet it should be kept in mind that sports and commercial entertainment do not produce art, they cater to the audience's taste rather than trying to form and educate it, they provide the form and the skill, while the arts imbue form and skill with emotional and intellectual content and meaning.

It is a social mandate to support the different art forms. By necessity, the fostering of these art forms is entrusted to very specific arts organizations. The Commission,





therefore, has focused its attention on the Boston Symphony Orchestra, the Opera Company of Boston, the Boston Ballet Company, and Stage/West of Springfield. These four groups manifest the state's highest overall achievements in the four major performing arts genres, e.g., music, opera, dance and the theater. This constellation is non-controversial, but not fixed, it is valid at this time, but may change in the future.

#### 1) THE BOSTON SYMPHONY ORCHESTRA

While many people consider the Boston Symphony the world's finest symphony orchestra, it is also one of the most perfect examples of the problematic situation in which the arts find themselves in America. The picture is one of contradictions.

Engaged in its 95th season as one of the nation's oldest performing arts institutions, the Boston Symphony plays to near capacity audiences every concert. Attendance at live concerts in 1973/1974 was 800,000 people. Despite the obvious success, projections for the present season are that earned income will fall short of the projected expenditure figure of \$8.4 million by \$2.3 million. Three-quarters of this discrepancy can reasonably be expected to be made up by donations, but for the remaining \$0.5 million gap, management has no other choice than to dip into the orchestra's endowment. This has uniformly been the situation for the past few years, but it is a condition that can obviously not go on for very long.

Considering the Symphony's reputation, more money could be brought in by playing to larger audiences at higher prices, but who would want to sacrifice near-perfect performing conditions at Symphony Hall and raise prices to a level the average man cannot afford?

Due to its long and distinguished history and patronage by the wealthy, the Symphony has acquired the image of being elitist and highbrow, when, in effect,



playing to the privileged is a simple survival instinct, since they provide the sustaining funds.

At the same time, like no other institution in the state, the Boston Symphony has explored ways to let wide segments of the population benefit from its musical performances, often at a great loss in revenues. Examples are the free concerts at the Esplanade, low-priced summer concerts at Tanglewood, rehearsal concerts, the Boston Youth Symphony concerts, the Boston Pops concerts, numerous recordings, and nationwide public broadcasts.

## 2) THE OPERA COMPANY OF BOSTON

Despite the 17-year history, a worldwide reputation as a performing unit, the fame of its artistic director, and unfulfilled demand evidenced by sell-outs, the Opera Company of Boston, and, therefore, opera in Massachusetts, leads a shadow existence. The reasons are the lack of good performing facilities and inadequate funding. Opera is traditionally the most expensive of the performing arts forms, the admission prices to the Opera Company of Boston (as they are to the Boston Ballet) are the highest in the country.

There is no chance that opera can ever pay its own way. The projected budget for the present season is \$1.3 million and income from ticket sales is an expected \$0.5 million. This means that some \$0.8 million have to be raised through donations, in addition to last year's deficit of \$0.25 million. The Opera Company, unlike the Boston Symphony which is the only major performing arts institution with endowment assets to speak of, has no securities to fall back on when a deficit occurs.

The first activities that fall prey to cost cutting measures are touring programs by Opera New England and other public service oriented low-income





producing performances, the type of activity the government would have an interest in seeing continued.

### 3) THE BOSTON BALLET COMPANY

The Boston Ballet is part of the phenomenal growth of the nation's performing arts, a growth rate recorded at 35 per cent over the last four years, and this in a time of recession.<sup>8</sup>

Full recognition of the value of dance in education, sports, and therapy, is still in an initial phase, but the field has earned itself unprecedented popularity among audiences and participants, the young in particular.

Although supplemented by numerous local and touring dance events, the Boston Ballet has barely been able to meet the demand, mostly because of budget restrictions. While consistently decreasing the percentage of the earnings gap, which is now some 40 per cent, the actual dollar amount needed to fill the gap is steadily increasing because the overall budget is increasing. The present need is \$450,000 for a total budget of \$1.1 million.

### 4) STAGE/WEST OF SPRINGFIELD

The theater scene differs from the other performing arts, partially because the commercial theater obscures the issue. The commercial theater offers productions of a high artistic calibre, and because a profit can be made, private investors are ready to risk their money. The one show out of ten that yields any revenues has to make up for the nine that fail. This type of theater business is applicable for Broadway and road shows, but not for the community-based repertory theater which cannot be financially self-sufficient and represents a vital cultural need.

No one theater group exists in Massachusetts that towers over its peers the same way as in music, opera, and dance, but Stage/West is without doubt the



most accomplished and stable of the resident theater groups. Its location in the western part of the state attests to the viability of the art form outside a major urban center to which the performing arts tend to gravitate.

This season's financial projection for Stage/West has a total of \$400,000, of which approximately \$150,000 have to be raised as donations. This is an enormous task in a town the size of Springfield, despite the theater's national reputation. Typically, because of difficulties to balance the budget last year, 75 per cent of the touring plans for the present season had to be abandoned.

When dealing with the performing arts, it is useless to apply the profit and loss approach used in other businesses. Artistic ventures would have to close before they opened. Rather, the performing arts determine their activities after considering four main criteria. First, what do artistic vision and ambition dictate? Second, what part of this ideal can be afforded? Third, what kind of activity will bring in maximum revenues? Fourth, what kind of activity will enhance chances to acquire maximum donations? In other words, in a very real sense, the unearned income and deficit figures listed understate the real need. The arts would do much more if they had the available means.

The four organizations listed in this chapter perform fiscally above national averages,<sup>9</sup> but some form of increased support must come forth so they can continue operating and expanding.

The Commission, thus far, has not had the resources to work out the complex issue of aid to major institutions, but some aspects of a solution are clear. They include the following considerations:

- 1) While increased aid to major institutions is desirable and imperative, such aid must prevent a polarization into large and small organizations and enhance, rather than in any way jeopardize, aid to smaller organizations.





2) The program will have to be kept flexible as to the choice of recipients, annual allocations, etc.

3) The state will have to stay away from getting caught in deficit funding.

4) New appropriations should not be used to subsidize already existing audiences.

5) Rather, the program should be innovative, break new grounds, decentralize, and democratize the arts, provide new services, and attract new audiences.

6) Most importantly, while it is of course desirable to enjoy live performances, the reality of the situation determines that the performing arts make every effort to reach the public through modern mass media channels such as television, radio, cable television, film, records, cassettes, videotape, print, and other forms of reproduction. These are truly democratic forms of participation in the arts and open new sources of revenue for them.

7) The arts' educational benefits should receive special attention.

8) As endorsed by the National Committee on Cultural Resources,<sup>10</sup> a minimum funding level of ten per cent of present budgets appears as a reasonable starting point. This would roughly translate into \$1.1 million for the Massachusetts organizations listed here.

9) The state must be mindful of its own interest and, without creating a bureaucracy, set up a review board, or some such agency, which will scrutinize all expenditures and progress made. Indications are that the arts organizations welcome such accountability.

10) After successful completion of the pilot program, expansion and inclusion of other arts organizations all the way down the scale appears logical.

It is high time for aid to major institutions, and the returns for the state could be tremendous.



The fact that the Nazis and the Communists did and do control art in some countries does not prove that government control of the arts is bad. It merely shows that the arts are one more field in which government controls are exercised in ways with which the Western World cannot agree. What it does prove, however, is that art can be a powerful political and ideological tool.

No suggestion will be advanced here that America start controlling its art, but, on the other hand, there is no reason to assume that American government would abuse its power if major funding were forthcoming.

Radical arts are in a sensitive position anywhere. Common sense dictates to the supporter that he not help projects which would undermine his ideological position. The radical artist knows that and looks for funding elsewhere.

The issue, then, is not to restrict or forbid artistic activities, but to concentrate attention and support on creativity which fulfills the arts' double function of preserving a heritage while pushing ahead new frontiers. This double focus towards the past and the future represents the arts' guiding principles. Accepting and supporting them requires a progressive and liberal outlook which is a position certainly well-entrenched in the American frame of mind.

The often-repeated excuses that (a) the threat of government control in the arts is too imminent for funding in the arts, and (b) funding cannot be provided because the government is not supposed to spend money without accountability are both too facile. Supervision and follow-up on any expenditure are mandatory to justify the expenditure in the first place. They are even desirable within the framework of political ideology, and are no doubt without danger because they would be applied--similar to education and scientific research in which a well-defined balance between autonomy and accountability prevails--in accordance with the American axioms of law and freedom.







Culture is part of the national philosophy, part of the reason for our existence, and we should have stopped talking about the threat of government control in the arts long ago.

#### THE NEED TO FIND (ALTERNATIVE) FUNDING SOLUTIONS

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American government officials widely underestimate the public's willingness, or even desire, to have their tax dollar spent for culture.

In Switzerland, for example, where an intrinsic network of state and town subsidy for the arts is a long-established tradition, cultural appropriations are subject to public vote as a matter of routine. Although fewer than fifty per cent of the voters attend the subsidized theaters, a majority of the public is obviously in favor of a worthwhile expenditure when they vote for subsidy--a worthwhile expenditure for their children, the quality of life in the community and the country.

Swiss theaters are subsidized between 60 and 70 per cent of total expenditures--and in most other European countries the funding percentage is even higher. Cultural appropriations amount to 1.4 per cent of the budget of the city of Zurich.<sup>11</sup>

In America, the National Research Center for the Arts has established that 64 per cent of the adult American population would be willing to pay an additional \$5 in taxes for cultural subsidies, while 47 per cent would be willing to pay \$25 in additional taxes for cultural subsidies.<sup>12</sup> Even if only those who are willing to pay would be taxed, the amounts collected would more than cover the needs of the arts.

The outcome of the National Research Center survey is an overwhelmingly strong expression of public will which the government cannot ignore in the long run. The Commission should update this survey by conducting it statewide here and make the results available.



Political and fiscal realities, in Massachusetts in particular, do however indicate that substantially increased arts patronage from the general fund is not likely to materialize in the near future. Therefore, it is imperative that the Commission, in connection with other agencies and the parties concerned, design and/or support alternative funding solutions with its full strength. These solutions are intended to provide much needed short-term relief for the cultural community, and the prospect of long-term assistance.

The most convincing of the alternative funding ideas, the use of hotel tax revenues for cultural subsidy, has already been adopted in Massachusetts, but the percentage allocated should be much higher. Everybody would agree, with the possible exception of advertising executives, that the use of tourism funds for arts sponsorship makes sense.

There are other alternative funding proposals that should receive careful consideration, such as the use of state lottery revenues, or the adoption of bills on a state level that are presently being introduced to the federal government.

One of them would allow the taxpayer to contribute a voluntary \$1.00 for cultural purposes, to be marked on the tax return form, similar to the provision for campaign funding of presidential candidates.

H.R. 8274 would allow the taxpayer to contribute his tax refund to cultural purposes, or he could add a voluntary amount to his tax payment.

There are undoubtedly more, and possibly more imaginative and more effective, alternative funding schemes in existence and in theory. To find, screen, and implement one of them is the Commission's most immediate duty.

## THE NEED TO DEFINE PURPOSES

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A statement like John Kenneth Galbraith's that "the artist, and not the engineer or the scientist, is the person of ultimate economic importance. He gives the quality which people ultimately seek."<sup>13</sup> is indicative of the line of insightful thought which equates the





importance of the arts with the importance of technology, or even puts the arts ahead of technology.

Some of the economic situation, where budget figures are concerned, is easily understood and accepted, but inasmuch as the arts relate to the overall economic picture and inasmuch as the arts are indispensable for a healthy society, matters become less tangible. The future will prove how essential the arts are, but it will take a long process until everybody sees it that way.

As it stands now, more than enough citizens are convinced that the arts are and will be an issue in the future, especially with increased leisure time. There are enough citizens who feel that the state does not do enough for the arts, that things should be better than they are, and that their tax dollar is not wisely spent. Their concerns warrant official actions and reactions.

These actions will have to be accompanied by careful groundwork and specific goals. It is imperative that these goals be far-reaching and visionary, but simple, clear, and well-defined. They ought to incorporate the notion of the need for an all-encompassing life. One goal is participation in the arts, either on the level of creation or involved viewing. Another is that the arts and arts facilities are diversified and accessible to everyone. Another is the right of the artist to freedom of self-expression.

Above all, let us leap from the practice of evaluating and pondering present conditions and designing stopgap measures to a set of envisioned end results which would constitute a base from which to operate.

Realistically, before such comprehensive actions can find the support necessary for implementation, they need to be backed up by a practical theory in the form of a cultural policy.



The state cannot, and should not, be asked to create culture, but it must be asked to create an environment in which art can flourish.

Culture is communication, encounter, and confrontation, and a fundamental human right.<sup>14</sup> Culture does not come easy, but it is invaluable because it unifies our fragmented existence. The artist interprets the world for us, and it is a prerequisite for a healthy national life that the artist and the common man talk to and understand each other.

Art affects social and economic structures and, therefore, raises political awareness. All politicians have an interest that art not be separated from politics. By assuming the responsibilities of a partnership in creating an environment in which the citizen can exercise his right to culture, Massachusetts must assume a role of leadership.

After proposals for alternative funding solutions have been found to provide some short-term relief, the Special Commission on the Performing Arts, in conjunction with the Massachusetts Council on the Arts and Humanities and other interested parties, is urged to submit a cultural policy. The major thrusts of the policy will have to:

- 1) spell out that the arts are an integral part of development and that anybody interested in development cannot afford to ignore the arts, and
- 2) define the arts as a public service.

Such cultural policy is essential as a backdrop for comprehensive cultural actions and indispensable to assign to the arts the position they deserve.





## FOOTNOTES

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1. Compiled by the International Association of Auditorium Managers.
2. Ford Foundation, The Finances of the Performing Arts, 2 vols., New York, 1975; facility rental percentages in vol. 1, p.46.
3. For further details see Twentieth Century Fund, Bricks, Mortar, and the Performing Arts, New York, 1970.
4. For the concept of raising capital funds with the help of lotteries, see the Commission's Hearing Transcripts of December 8, 1975.
5. The Finances of the Performing Arts, vol. 1, p.76.
6. The Finances of the Performing Arts, vol. 1, p.76.
7. As became evident during the Business Committee on the Arts Conference, Washington, D.C., November, 1975.
8. National Committee for Cultural Resources, National Report on the Arts, New York, 1975, p.13.
9. Compare the Finances of the Performing Arts, vol. 1, p.58.
10. National Report on the Arts, p.5.
11. See Frederick Dorian, Commitment to Culture: Art Patronage in Europe, Pittsburgh, Pennsylvania, 1964, p.114f.
12. See Americans and the Arts, Associated Council of the Arts Publication, New York, 1974, pp. 35, 36.
13. Quoted from a speech held in Copenhagen, Denmark, in 1970.
14. Declaration of Human Rights, United Nations, 1948.





